

**Risk Management**

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November 17, 2011

TO: DEANS, DIRECTORS AND DEPARTMENT HEADS

FROM: Ellen Douglas, ARM, Associate Director of Risk Management

RE: RISK MANAGEMENT 2011-2012

Virginia Tech's Office of Risk Management has responsibility to administer the property, general liability, automobile, boiler and machinery, medical malpractice, and related insurance programs of Virginia Tech and the associated claims. These programs do not relate to personal employee benefits and medical/life insurance coverage, which are administered by Human Resources.

If your office suffers any damage or loss relating to property and casualty, please **immediately** call Risk Management at 540/231-7439.

Step-by-step procedures for all offices (except Cooperative Extension/VCE) to report automobile accidents, property damage, and loss for on-campus and off-campus locations are available on the Virginia Tech website: www.controller.vt.edu. Step-by-step procedures for Cooperative Extension may be found by accessing the VCE website www.intra.ext.vt.edu, under policies. Risk Management may be reached by phone at 540/231-7439, fax 540/231-5064, or email alene@vt.edu or by using campus mail code 0310.

Rented vehicles require special attention. When completing a contract to rent a car, employees should decline all additional insurance offered on the rented vehicle (except when overseas or in Mexico, in which case you should purchase the additional coverage). Virginia Tech carries insurance coverage for domestic travel. The University Controller's Office will not reimburse employees for insurance unless it is purchased for overseas travel. Overseas refers to all countries except Canada, Puerto Rico, and the U.S. Virgin Islands. If you encounter problems with a rental company in the United States, please contact Risk Management. Size restrictions for truck rentals may apply.

Insurance for property of others. Property insurance provided by the university can be extended to cover the property of others, under the university's care, custody and control. This includes any art on display or in storage at the university. Documentation, which can be in the form of a contract, letter or email, must exist prior to the date of any loss, indicating the university has accepted care, custody and control of the item, what the item is and an estimated value (if available). A template for documenting this care, custody and control for the property of others can be obtained from our website www.controller.vt.edu. Personal property of employees can be insured, if prior to the date of loss, the employee's job description has been modified to include the requirement for their property as a condition of employment.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

INSURANCE 2011-2012

Virginia Polytechnic Institute and State University is insured through the Commonwealth of Virginia Insurance Program. Further information can be obtained by contacting Ellen Douglas, ARM, Associate Director of Risk Management, Mail Code 0310, 130 Southgate Center, Blacksburg VA 24061, telephone 540/231-7439 and fax 540/231-5064. You also may access www.contoller.vt.edu. Present Virginia Tech coverage is:

Workers' Compensation – The Commonwealth of Virginia's insurance program provides coverage, which fully conforms to statutory requirements.

Automobile Liability – The Commonwealth of Virginia's insurance program provides \$2,000,000 per occurrence automobile liability coverage through a program of self-insurance. For the Commonwealth or any of the individual state agencies or institutions, the limit of liability is \$100,000 pursuant to § 8.01-195.3 of the **Code of Virginia**. The coverage applies to state-owned vehicles and vehicles rented for business purposes. Accidents should be reported in accordance with the checklist found under Risk Management on the website. Unless requested by the controlling department, automobiles and pickups **are not** insured for comprehensive or collision coverage.

General Liability – Established pursuant to §§ 2.2-1837 and 2.2-1838, the Commonwealth's **Risk Management Plan** is a comprehensive liability self-insurance plan for Virginia's state agencies and institutions.

University and Employees – The Plan provides \$2,000,000 per occurrence liability coverage as set forth in § 2.2-1837 of the **Code of Virginia**. This program has no deductible. It provides that a self-insurance program may:

Provide protection against liability imposed by law for damages resulting from any claim made against any state department, agency, institution, board, commission, officer, agent or employee for acts or omissions of any nature while acting in an authorized governmental or proprietary capacity and in the course and scope of employment or authorization...(emphasis added)

Property – The Commonwealth's insurance program provides full replacement-cost coverage, less a \$1,000 deductible, for loss of university property due to theft, vandalism, etc. or destruction by wind, water, freeze, etc. This coverage also applies to any Virginia Tech property in transit. Therefore, any shipping insurance should not be purchased. Any loss or damage to University property should be reported in accordance with the checklist as outlined on the website.

Other insurance, such as aviation, boiler, and overseas liability also is maintained by Risk Management. Questions concerning these should be referred to the Office of Risk Management, phone 540/231-7439 or fax 540/231-5064, or email alene@vt.edu.

Certificates of Insurance – may be obtained by visiting our website www.contoller.vt.edu and filling out the request form or by contacting Risk Management at Virginia Tech.

Risk Management visits departments on and off campus to explain insurance coverage, outline claims procedures, answer questions and address concerns of the individual areas. The Risk Management Office is available to meet with your department to discuss your risk and liability concerns, as well as, to provide information and assistance in the review of these risks.

Please feel free to contact the Office of Risk Management with your questions or insurance and liability related concerns.